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Budget and Finance Committee approves legislation to temporarily exempt NN Oil & Gas Company from the Navajo Nation excise fuel taxes
Legislation would allow for development near Twin Arrows Navajo Casino

WINDOW ROCK – The Budget and Finance Committee approved Legislation No. 0108-13, a bill which seeks to exempt the Navajo Oil and Gas Company from being subject to Navajo Nation fuel excise taxes so the entity can finance infrastructure development near the Twin Arrows Navajo Casino - specifically a gas station and a convenience store.

If approved by the Navajo Nation Council, the NNOGC would be exempt from fuel excise taxes until either the estimated \$2.5 million infrastructure costs are reimbursed to NNOGC or after a seven-year period from when the convenience store begins operation, whichever occurs first.

The Navajo Nation fuel excise tax, which was established in 1999, imposes an 18-cent per gallon tax on gasoline distributors or retailers on the Navajo Nation.

Legislation co-sponsor Council Delegate Leonard Tsosie (Baca/Prewitt, Casamero Lake, Counselor, Littlewater, Ojo Encino, Pueblo Pintado, Torreon, Whitehorse Lake) said the project would promote economic development and provide employment for Navajo people.

“It’s something that benefits the whole Navajo Nation,” said Delegate Tsosie. “It will be good for our people, and for the casino.”

The proposed development is part of NNOGC’s “Rural Development Initiative” to construct convenience stores in the communities of Chilchinbeto, Navajo Mountain, Nazlini, Round Rock, Montezuma Creek, Indian Wells, Shonto, Dennehotso, Crownpoint, and Twin Arrows.

BFC member Council Delegate Lorenzo Curley (Houck, Klagnetoh, Nahata Dziil, Tsé Si áni, Wide Ruins) opposed the legislation, expressing dissatisfaction with the overall financing of the proposed development.

“We’re taking away from the fuel excise tax revenue,” said Delegate Curley. “That’s a lot of money we won’t be collecting.”

BFC vice-chair Council Delegate Jonathan Nez (Shonto, Navajo Mountain, Oljato, Ts’ah Bii Kin) voiced support for the project and advocated for rural communities to benefit from such financing opportunities.

“There are other projects that are going to be built throughout Navajo, and I’m wondering if this creative way of financing could be implemented on those projects,” Delegate Nez said. “They should be able to take advantage of this financing opportunity as well.”

Although BFC member Council Delegate Nelson BeGaye (Lukachukai, Rock Point, Round Rock, Tsaile/Wheatfields, Tsé Ch’ izhi) expressed skepticism over the exemption of taxes during a time of uncertainty regarding the Nation’s budget, he ultimately voted in favor of the legislation.

Delegate Tsosie expressed appreciation for the BFC’s support of the legislation and asserted that the project will move the Nation toward greater economic independence and self-sufficiency.

At the conclusion of the discussion, BFC members approved the legislation with a 2-1 vote.

The legislation now moves on to the Naabik’íyátí Committee and then the Navajo Nation Council for final consideration.

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